

AGENCY OFFERING AGREEMENT

THIS AGREEMENT dated for reference August 31, 2018 is made

BETWEEN

RADIAL RESEARCH CORP., of Suite 600, 1090 West Georgia Street, Vancouver, BC V6E 3V7

(the “**Issuer**”);

AND

CHIPPINGHAM FINANCIAL GROUP LIMITED, of #1040-885 West Georgia St., Vancouver, BC V6C 3E8

(the “**Agent**”).

WHEREAS:

- A. The Issuer wishes to raise money for the purposes set forth in its Prospectus, which is to be filed by the Issuer with the Commissions, by offering for sale certain of its shares;
- B. The Issuer wishes to appoint the Agent to distribute those shares and the Agent is willing to accept the appointment on the terms and conditions of this Agreement;

THE PARTIES to this Agreement therefore agree:

1. DEFINITIONS

In this Agreement:

- (a) “**Agent’s Commission**” has the meaning given to it in Subsection 7.1;
- (b) “**Agent’s Expenses**” means all expenses reasonably incurred by the Agent in connection with the Offering, in accordance with the terms and conditions of this Agreement;
- (c) “**Agent’s Fee**” means collectively, the Agent’s Commission and the Agent’s Options;
- (d) “**Agent’s Options**” means the non-transferrable options issued by the Issuer to the Agent entitling the Agent to acquire such number of Agent’s Option Shares as is equal to up to 8% of the total number of Shares sold under the Offering at a price of \$0.10 per Agent’s Option Share, exercisable at any time for a period ending 24 months from the date of issuance;
- (e) “**Agent’s Option Shares**” means any common shares in the capital of the Issuer that may be issued on exercise of the Agent’s Options;

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- (f) “**Applicable Legislation**” means the securities acts in the Selling Provinces, the regulations and rules made thereunder, all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued by the Commissions and the rules and policies of the Exchange;
- (g) “**Approval Date**” means the date the common shares in the capital of the Issuer commence trading on the Exchange;
- (h) “**CDS**” means CDS Clearing and Depository Services Inc.;
- (i) “**Certificates**” means the certificates representing the Agent’s Options;
- (j) “**Closing**” means the closing of the purchase and sale, and the issuance by the Issuer, of the Offered Shares;
- (k) “**Closing Day**” means the day on which the Closing occurs, as agreed to by the Issuer and the Agent;
- (l) “**Commissions**” means the securities commissions in the Selling Provinces;
- (m) “**Distribution**” means the distribution or sale of the Securities pursuant to this Agreement;
- (n) “**Effective Date**” means the date on which the Final Receipt is issued;
- (o) “**Exchange**” means the Canadian Securities Exchange;
- (p) “**Final Prospectus**” means the final long form prospectus of the Issuer, including all documents incorporated therein by reference and including any amendments or supplements thereto, filed in accordance with NI 41-101 for the purpose of qualifying the Distribution of the Offered Shares and the Agent’s Options and for which a Final Receipt has been issued;
- (q) “**Final Receipt**” means the receipt issued for the Final Prospectus by the Principal Regulator pursuant to NP 11-202, representing a final receipt for the Final Prospectus in each of the Selling Provinces;
- (r) “**Material Change**” has the meaning defined in the Applicable Legislation;
- (s) “**Material Fact**” has the meaning defined in the Applicable Legislation;
- (t) “**Misrepresentation**” has the meaning defined in the Applicable Legislation;
- (u) “**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;
- (v) “**NP 11-202**” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;
- (w) “**Offered Shares**” means the Shares;
- (x) “**Offering**” means the offering of the Offered Shares under the Prospectus;

- (y) **“Offering Day”** means the day chosen by the Agent to contract the purchases of Shares by the purchasers, which day shall be on such date as may be agreed to by the Issuer and the Agent;
- (z) **“Offering Price”** means \$0.10 per Share;
- (aa) **“Preliminary Prospectus”** means the preliminary long form prospectus of the Issuer dated July 17, 2018, including all documents incorporated therein by reference filed in accordance with NI 41-101 for the purposes of qualifying the distribution of the Offered Shares and the Agent’s Options, and any amendments or supplements to the Preliminary Prospectus that may be filed with the Regulatory Authorities;
- (bb) **“Preliminary Receipt”** means the receipt issued for the Preliminary Prospectus by the Principal Regulator pursuant to NP 11-202;
- (cc) **“Principal Regulator”** means the British Columbia Securities Commission;
- (dd) **“Proceeds”** means the gross proceeds of the Offering, less:
 - (i) the Agent’s Commission;
 - (ii) the portion of the Work Fee which has not yet been paid by the Issuer;
 - (iii) the Agent’s Expenses which have not been paid by the Issuer; and
 - (iv) any amount already received by the Issuer;
- (ee) **“Prospectus”** means the Preliminary Prospectus and the Final Prospectus, as applicable, filed or intended to be filed by the Issuer with the Regulatory Authorities in connection with the Offering and any amendments to the Preliminary Prospectus and the Final Prospectus which may be filed with the Regulatory Authorities;
- (ff) **“Regulatory Authorities”** means the Commissions and the Exchange;
- (gg) **“Securities”** means the Shares, Agent’s Options and Agent’s Option Shares;
- (hh) **“Selling Provinces”** means British Columbia, Alberta and Ontario and such other non-Canadian jurisdictions where the Offered Shares can be lawfully sold;
- (ii) **“Shares”** means the minimum of 2,000,000 and up to a maximum of 5,000,000 previously unissued common shares in the capital of the Issuer to be offered by the Issuer pursuant to this Agreement having the terms provided in this Agreement; and
- (jj) **“Work Fee”** means the non-refundable fee to be paid to the Agent by the Issuer in consideration of corporate finance and structuring services provided by the Agent.

2. APPOINTMENT OF AGENT

The Issuer appoints the Agent as its exclusive agent and the Agent accepts the appointment and will act as the exclusive agent of the Issuer, without underwriter liability, to offer the Offered Shares for sale under the Prospectus at the Offering Price on a commercially reasonable efforts basis.

3. THE OFFERED SHARES

The Offered Shares will be issued and registered in the names and denominations reasonably requested by the Agent.

4. FILING OF PROSPECTUS

4.1 The Issuer will cause the Prospectus to be filed with the Regulatory Authorities, will deliver all necessary copies of the Prospectus to the Regulatory Authorities and will use its commercially reasonable best efforts to have the Prospectus accepted by the Regulatory Authorities.

4.2 The Issuer will provide the Agent with as many copies of the Prospectus as the Agent reasonably requests.

4.3 Delivery of the Prospectus and any amendment thereto shall constitute a representation and warranty by the Issuer to the Agent that all information and statements (except information and statements relating solely to the Agent) contained in the Prospectus and any amendment thereto are true and correct in all material respects at the time of delivery thereof and contain no Misrepresentations and constitute full, true and plain disclosure of all Material Facts relating to the Issuer and the Securities and that no Material Fact or material information has been omitted therefrom (except facts of information relating solely to the Agent) which is required to be stated therein or is necessary to make statements of information contained therein not misleading in light of the circumstances under which they were made. Such delivery shall also constitute the Issuer's consent to the Agent's use of the Prospectus, any amendment thereto and any other documents supplied to the Agent by the Issuer for the purpose of the sale of Shares in compliance herewith and with the Applicable Legislation.

5. LISTING APPLICATION AND CONDUCT OF THE OFFERING

5.1 Prior to the Closing Day, the Issuer will make application to list the Offered Shares and Agent's Option Shares on the Exchange and conditional approval of such application must be obtained from the Exchange prior to Closing.

5.2 Following the Effective Date and after consulting with the Exchange, the Issuer and the Agent will set the Offering Day.

5.3 The Offering Day will be on such date as may be agreed to by the Issuer and the Agent.

5.4 The Issuer shall take all necessary steps to complete and file with the Exchange its application for listing with all other documentation required by the Exchange, to allow for the listing and posting for trading of the common shares in the capital of the Issuer on the Exchange prior to Closing, as provided in Article 14. Notwithstanding the generality

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of the foregoing, the Issuer will ensure that on the Closing Day, the Offered Shares will be qualified investments under the *Income Tax Act* (Canada) for registered retirement savings plans and similar investment plans.

- 5.5 The Agent will advise the Issuer and its counsel in writing when the Distribution under the Prospectus is complete.

6. OPINIONS AND CERTIFICATES

- 6.1 At the time of execution of the Final Prospectus by the Agent, the Issuer will deliver to the Agent and its counsel a standard long form comfort letter from the auditors of the Issuer, in a form customary for transactions of this nature and satisfactory to the Agent, acting reasonably;

- 6.2 On the Closing Day, the Issuer will deliver the following documents to the Agent and its counsel in a form acceptable to them:

- (a) evidence of all requisite approvals including the conditional approval of the Exchange in respect of listing the securities issued pursuant to the Offering, subject to customary conditions;
- (b) customary certificates of signed by the chief executive officer and chief financial officer of the Issuer or such other officers approved by the Agent, in the form and content acceptable to the Agent, acting reasonably, as to factual matters and "bring down" certificates (the "**Officers' Certificate**");
- (c) a favourable legal opinion of counsel for the Issuer, dated as of the Closing Day and addressed to the Agent and its counsel, in the form and content acceptable to the Agent, acting reasonably, with respect to, among other things, the valid issuance of the Offered Shares, the accuracy and completeness of the disclosure of the legal effect of Offered Shares in the Prospectus, and customary corporate and securities law matters;
- (d) comfort letters and "bring down" comfort letters from the auditors of the Issuer in a form customary for transactions of this nature and satisfactory to the Agent, acting reasonably; and
- (e) any other certificates, comfort letters or opinions in connection with any matter related to the Prospectus which are reasonably requested by the Agent or its counsel.

7. AGENT'S FEE

- 7.1 In consideration of the services performed by the Agent under this Agreement, the Issuer agrees to pay the Agent a cash commission of 8% of the Offering Price per Share sold, whether purchased by the Agent for its own account or for its clients or purchased by other members of the Exchange for their own accounts or for their clients (the "**Agent's Commission**").

- 7.2 As further consideration of the services performed by the Agent under the Agreement, the Issuer will issue Agent's Options to the Agent or to members of its selling group as

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directed by the Agent entitling the Agent to purchase that number of Agent's Option Shares that is equal to 8% of the Offered Shares sold on Closing. The Agent's Options will be non-transferable and one Agent's Option will entitle the holder to purchase one Agent's Option Share at the Offering Price. The right to purchase Agent's Option Shares under the Agent's Options may be exercised at any time up to the close of business 24 months from the Closing Day at the Offering Price. The terms governing the Agent's Options will include, among other things, provisions for the appropriate adjustment in the class, number and price of the Agent's Option Shares upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the common shares in the capital of the Issuer, the payment of stock dividends or the amalgamation of the Issuer. The issue of the Agent's Options will not restrict or prevent the Issuer from obtaining any other financing, nor from issuing additional securities or rights during the period within which the Agent's Options are exercisable.

- 7.3 The Issuer agrees to pay to the Agent the Work Fee of \$15,000 (plus GST of \$750) payable in cash, of which \$7,875 will represent a non-refundable portion of the Work Fee which has been paid as of the date hereof. The balance of \$7,875 will be payable from the Offering proceeds on Closing. This amount shall be in addition to any amount payable to the Agent as the Agent's Commission.
- 7.4 In the event the Agent is willing to proceed with the Offering but the Issuer precludes the Agent from completing the Offering (unless the Offering cannot proceed because to proceed would not be in accordance with Applicable Legislation), notwithstanding anything else in this Agreement, the Work Fee shall be paid to the Agent.

8. MINIMUM SUBSCRIPTION

- 8.1 The Offering is subject to a minimum subscription of no less than 2,000,000 Shares and a maximum subscription of up to 5,000,000 Shares.
- 8.2 All funds received by the Agent for subscription will be held in trust by the Agent or placed in trust with the Issuer's registrar and transfer agent until the minimum subscription has been obtained.
- 8.3 Notwithstanding any other term of this Agreement, all subscription funds received by the Agent will be returned to the subscribers if the minimum Offering does not complete on or before February 28, 2019, or such other date as may be consented to by the Agent.

9. CLOSING

- 9.1 On Closing, if the Issuer has satisfied all of its obligations under the Agreement, the Issuer will deliver the Certificates to the Agent and will deposit the Offered Shares with CDS against payment of the Proceeds.
- 9.2 If the Issuer has satisfied all of its obligations under this Agreement, on Closing, the Agent will pay the Proceeds to the Issuer against delivery of the Certificates and upon receipt of satisfactory evidence that the Offered Shares have been deposited with CDS.

- 9.3 The obligation of the Agent to pay the Proceeds to the Issuer shall be subject to the following conditions precedent:
- (a) completion by the Agent of due diligence on the Issuer to its reasonable satisfaction;
 - (b) the Issuer shall have performed or complied with each covenant and obligation herein provided on its part to be performed or complied with;
 - (c) each of the representations and warranties of the Issuer herein shall continue to be true, and the Officer's Certificate shall contain certification to that effect; and
 - (d) the Issuer shall have, to the satisfaction of the Agent and the Agent's legal counsel, taken or caused to be taken all steps and proceedings which may be requisite under the Applicable Legislation to qualify the Distribution of the Offered Shares to the public in the Selling Provinces through registrants who have complied with the provision of the Applicable Legislation, including the filing of the Prospectuses and the obtaining of the Preliminary Receipt and the Final Receipt.

10. COVENANTS AND OBLIGATIONS OF THE ISSUER

- 10.1 The Issuer covenants and agrees that it has complied with and will abide by and comply with all Applicable Legislation and will complete all filings required of the Issuer under the Applicable Legislation and by the Exchange in connection with the Offering, the Prospectus and the listing of the Securities.
- 10.2 If, after the Prospectus is filed with the Regulatory Authorities but before the conclusion of the Distribution, a Material Change or change in a Material Fact occurs in the affairs of the Issuer, the Issuer will:
- (a) notify the Agent immediately, in writing, with full particulars of the change;
 - (b) file with the Regulatory Authorities as soon as practicable, and in any event no later than 10 days after the change occurs, an amendment to the Prospectus in a form acceptable to the Agent disclosing the Material Change; and
 - (c) provide the Agent with as many copies of that amendment to the Prospectus as the Agent may reasonably request.
- 10.3 The Issuer shall in good faith discuss with the Agent any fact or change in circumstances (actual and anticipated, contemplated or threatened, whether financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to the previous Subsection.

11. TERMINATION

- 11.1 In addition to any other remedies which may be available to the Agent, the Agent shall be entitled to terminate its obligations under this Agreement by delivering written notice to that effect to the Issuer at or prior to the Closing of the Offering on the occurrence of any of the following events:

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- (a) there is an event, incident, change in governmental law or regulation or other occurrence of any nature which, in the opinion of the Agent, acting reasonably, seriously affects or will seriously affect the financial markets or the business of the Issuer or the ability of the Agent to perform its obligations under this Agreement or an investor's decision to purchase the Offered Shares;
- (b) there should occur any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or control of the Issuer, or any change in any material fact pertaining to the Issuer, or the Agent becomes aware of a previously undisclosed material fact which, in the reasonable opinion of the Agent, has or would be expected to have a material adverse effect on the Issuer or the market price of the Offered Shares;
- (c) the Agent is not satisfied, in its sole discretion, with the results of its due diligence review of the Issuer or the Issuer's principals;
- (d) following a consideration of the history, business, products, property or affairs of the Issuer or its principals and promoters, or the state of the financial markets in general, or the state of the market for the Issuer's securities in particular, or the likelihood of a substantial number of investors exercising their statutory rights to withdraw from a purchase of the Offered Shares, the Agent determines, in its sole discretion acting reasonably, that it is not in the interest of investors to complete the Offering, the Offered Shares cannot be profitably marketed or it would be impracticable to offer or continue to offer the Offered Shares for sale;
- (e) there has developed, occurred or come into effect any catastrophe of national or international consequence, any accident, governmental law or regulation, or any other occurrence of any nature whatsoever which, in the reasonable opinion of the Agent, materially adversely affects or may materially adversely affect the financial markets, the respective businesses of the Issuer, or the profitable distribution of the Offered Shares;
- (f) the Closing Date fails to occur on or prior to February 29, 2019, or such other date as may be consented to by the Agent;
- (g) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Issuer, anyone of its officers or directors or any of its principal shareholders where wrongdoing is alleged, or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the Exchange or any securities commission which involves a finding of wrongdoing by the Issuer or any of such persons;
- (h) there should occur or commence or be announced or threatened any inquiry, action, suit, investigation or other proceeding (whether formal or informal) or any order or ruling is issued by any federal, provincial, state, municipal, or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the Exchange or any Regulatory Authority under or pursuant to any statute of Canada or the United States, or any jurisdiction thereof, which, in the reasonable opinion of the Agent, would be expected to

operate to prevent or materially restrict trading in or distribution of the Offered Shares or would have a material adverse effect on the market price or value of the Offered Shares;

- (i) any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Issuer is made by a competent regulatory authority and that order is still in effect;
 - (j) if there develop, occur, or come into effect or existence of any event, action, state, condition (including without limitation, an act of terrorism) or major financial, political or economic occurrence of a national or international consequence of any law or regulation, or any action, government, law regulation, inquiry or other occurrence of any nature, which in the reasonable opinion of the Agent, seriously affects, or involves, or will, or could reasonably be expected to, seriously adversely affect or involve the financial markets in nationally or internationally or the business, operations or affairs of the Issuer, or the marketability of the Offered Shares;
 - (k) the Issuer is in breach of any term, condition or covenant of this Agreement; or
 - (l) the Agent reasonably determines that any of the representations or warranties made by the Issuer in this Agreement is false or has become false.
- 11.2 The Issuer shall be entitled to terminate its obligations under this Agreement by delivering written notice to that effect to the Agent at or prior to the Closing of the Offering on the occurrence of any of the following events:
- (a) the Closing Date fails to occur on or prior to October 31, 2018, or such other date as may be consented to by the Issuer; or
 - (b) the Agent is in breach of any term, condition or covenant of this Agreement.
- 11.3 The right of the Agent to terminate this Agreement is in addition to such other remedies any of the purchasers may have in respect of any default, misrepresentation, act or failure to act of the Issuer in respect of any of the transactions contemplated by this Agreement.
- 11.4 Any such termination by a party shall be effected by notice in writing to the other party at any time prior to the Closing.
- 11.5 The Issuer shall pay the Agent's Expenses in the event of termination as set out in this Agreement.
- 11.6 If the Agent exercises its right to terminate this Agreement, then the Issuer will immediately issue a press release setting out particulars of the termination.
- 11.7 Either party may waive, in whole or in part, or extend the time for compliance with, any of the terms and conditions in this Agreement to be complied with by the other party without prejudice to their rights in respect of any other of the terms and conditions of this Agreement or any other or subsequent breach or non-compliance. No act of the Agent in

offering the Offered Shares or in preparing or joining in the execution of the Prospectuses shall constitute a waiver of or estoppel against the Agent.

12. REPRESENTATIONS AND WARRANTIES

12.1 The Issuer represents and warrants to the Agent that:

- (a) the Issuer is a valid and subsisting company duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated, continued or amalgamated;
- (b) the Issuer is duly registered and licensed to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;
- (c) the Issuer has full corporate power and authority to carry on its business as now carried on by it and to undertake the Offering and this Agreement has been, or will be by the Closing, duly authorized by all necessary corporate action on the part of the Issuer;
- (d) this Agreement has been authorized, executed and delivered by the Issuer and constitutes a valid and legally binding obligation of the Issuer enforceable against the Issuer in accordance with the terms hereof and thereof, except in any case as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (e) all of the material transactions of the Issuer have been promptly and properly recorded or filed in its books or records and its minute books or records contain all records of the meetings and proceedings of its directors, shareholders, and other committees, if any, since inception;
- (f) the authorized capital of the Issuer is as disclosed in the Prospectus and the issued and outstanding common shares in the capital of the Issuer are fully paid and non-assessable and, except as disclosed in the Prospectus, no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of the Issuer or any other security convertible into or exchangeable for any such shares, or to require the Issuer to purchase, redeem or otherwise acquire any of the issued and outstanding shares in the capital of the Issuer other than as disclosed in the Prospectus;
- (g) the Issuer has no subsidiaries;
- (h) the Issuer will reserve or set aside sufficient common shares in its treasury to issue the Offered Shares and Agent's Option Shares;

- (i) the Prospectus will contain full, true and plain disclosure of all Material Facts in relation to the Issuer, its business and its securities, will contain no Misrepresentations, will be accurate in all material respects and will omit no fact, the omission of which will make such representations misleading or incorrect;
- (j) the financial statements of the Issuer which form part of the Prospectus have been prepared in accordance with Canadian generally accepted accounting principles and if applicable, International Financial Reporting Standards, present fairly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of the Issuer as at the date of the financial statements and there have been no adverse material changes in the financial position of the Issuer since the date thereof, and the business of the Issuer has been carried on in the usual and ordinary course consistent with past practice except as fully and plainly disclosed in the Prospectus;
- (k) the Prospectus and all financial, marketing, sales and operational information provided by the Issuer to the Agent do not contain any misrepresentations as such relates to the Issuer;
- (l) the auditors of the Issuer who audited the financial statements of the Issuer for the most recent financial year-end and who provided their audit report thereon are independent public accountants as required under Applicable Legislation and there has never been a reportable event (within the meaning of National Instrument 51-102) with the present auditors of the Issuer;
- (m) the Issuer has complied and will comply fully with the requirements of all applicable corporate and securities laws and administrative policies and directions, including, without limitation, Applicable Legislation and its regulations in relation to the issue and trading of its securities and in all matters relating to the Offering;
- (n) the Issuer is in compliance with all applicable laws, regulations and statutes in the jurisdictions in which it carries on business;
- (o) none of the Offering, issue and sale of the Securities, the execution and delivery of this Agreement, the compliance by the Issuer with the provisions of this Agreement or the consummation of the transactions contemplated herein and therein, without limitation, the issue of the Securities upon the terms and conditions as set forth herein do or will conflict with, and does not and will not result in a breach of, or constitute a default under (A) any statute, rule or regulation applicable to the Issuer including, without limitation, the Applicable Legislation; (B) the constating documents, by-laws or resolutions of the Issuer which are in effect at the date hereof; (C) any agreement, debt instrument, mortgage, note, indenture, instrument, lease or other document to which the Issuer is a party or by which it is bound; or (D) any judgment, decree or order binding the Issuer or the property or assets of the Issuer;
- (p) upon their issuance, the Offered Shares and the Agent's Option Shares will be validly issued and outstanding as fully paid and non-assessable common shares of the Issuer registered as directed by the Agent, as the case may be, or a permitted transferee thereof clear of all voting restrictions, trade restrictions

(except control person restrictions or any restrictions under applicable United States securities laws or the laws of any jurisdiction outside of Canada and the United States) liens, charges or encumbrances of any kind whatsoever;

- (q) the attributes and characteristics of the Offered Shares, the Agent's Options and the Agent's Option Shares conform in all material respects to the attributes and characteristics thereof described in the Prospectus;
- (r) the Issuer has the necessary corporate power and authority to execute, deliver and file the Prospectus and, prior to the filing of each of the Preliminary Prospectus and the Prospectus, all requisite action will have been taken by the Issuer to authorize the execution, delivery and filing of the applicable Preliminary Prospectus or Prospectus;
- (s) to the Issuer's knowledge and unless otherwise disclosed in writing to the Agent, after reasonable enquiry, none of the directors or officers of the Issuer is or has ever been, in his or her personal capacity, subject to prior regulatory, criminal or bankruptcy proceedings in Canada or elsewhere except as previously disclosed to the Agent;
- (t) to the knowledge of the Issuer, no director or senior officer of the Issuer has a present intention to sell any securities of the Issuer held by it;
- (u) the Issuer is not party to any agreement (written or oral) to purchase or dispose of any significant assets;
- (v) the Issuer is not a party to any actions, suits or proceedings which could materially affect its business or financial condition, and no such actions, suits or proceedings are contemplated or have been threatened;
- (w) there are no judgments against the Issuer which are unsatisfied, nor are there any consent decrees or injunctions to which the Issuer is subject;
- (x) there is not presently, and will not be until the conclusion of the Distribution, any Material Change or change in any Material Fact relating to the Issuer which has not been or will not be fully disclosed in the Prospectus;
- (y) no order ceasing, halting or suspending trading in securities of the Issuer nor prohibiting the sale of such securities has been issued to and is outstanding against the Issuer or its directors, officers or promoters or against any other companies that have common directors, officers or promoters and no investigations or proceedings for such purposes are pending or threatened;
- (z) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any governmental authority, to the extent that any of the foregoing is due and payable;
- (aa) the Issuer has established on its books and records reserves which are adequate for the payment of all taxes not yet due and payable and there are no liens for

taxes on the assets of the Issuer except for taxes not yet due, and there are no audits of any of the tax returns of the Issuer which are known by the Issuer's management to be pending, and there are no claims which have been or may be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any governmental agency of any deficiency which would have a material adverse effect on the properties, business or assets of the Issuer;

- (bb) the Issuer does not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" (as such term is used in the *Income Tax Act* (Canada));
- (cc) there is no approval, authorization, consent or other order of any governmental authority required in connection with the execution, delivery or performance by the Issuer of this Agreement except requisite filings with the Commissions (and the issuance by the Commissions of the Preliminary Receipt and the Final Receipt) and the Exchange and final approval/acceptance to the Offering from the Exchange;
- (dd) the Issuer does not have in place a shareholder rights plan and, as at the date hereof, the Issuer has no written agreement with respect to the nomination of any new directors to the board of directors of the Issuer and no person currently holds the right to be nominated to the board of directors of the Issuer;
- (ee) the Issuer has not, directly or indirectly:
 - (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction except as otherwise permitted under applicable law,
 - (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Issuer or its Subsidiaries and their respective operations, or
 - (iii) made or received a bribe, rebate, payoff, influence payment, kickback or other unlawful payment;
- (ff) to the Issuer's knowledge, the operations of the Issuer is and has been conducted at all times in compliance with all applicable anti-money laundering laws, regulations, rules and guidelines in its jurisdiction of incorporation and in each other jurisdiction in which the Issuer conducts business (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator

involving the Issuer with respect to any of the Money Laundering Laws is pending or, to the Issuer's knowledge, threatened or contemplated;

- (gg) other than the Agent, no person, firm or Issuer acting or purporting to act at the request of the Issuer is entitled to any brokerage, agency or finder's fee in connection with the transactions described herein; and
- (hh) the warranties and representations in this Subsection are true and correct and will remain so as of the conclusion of the distribution under the Prospectus.

12.2 As of the date hereof, the Agent warrants and represents to the Issuer that:

- (a) it is a valid and subsisting Issuer under the law of the jurisdiction in which it was incorporated, continued or amalgamated;
- (b) it is a member in good standing of the Exchange; and
- (c) it has complied with and will fully comply with the requirements of all Applicable Legislation, its rules and regulations and the by-laws and rules of the Exchange, in relation to trading in the Securities and all matters relating to the Offering.

13. EXPENSES OF AGENT

- 13.1 The Issuer will pay all of the expenses of the Offering and all the Agent's Expenses including, without limitation, the fees and expenses of the solicitors for the Agent, which expenses shall be not exceed \$15,000 (plus reasonable disbursements and taxes) without the prior approval of the Issuer. The Agent acknowledges receiving an initial retainer of \$15,000 (plus GST) to cover initial Agent's Expenses. The Agent shall get prior approval from the Issuer for any expenses exceeding \$15,000.
- 13.2 The Issuer will pay the expenses referred to in the previous Subsection even if the Prospectus and this Agreement are not accepted by the Regulatory Authorities or the transactions contemplated by this Agreement are not completed or this Agreement is terminated, unless the failure of acceptance or completion or the termination is the result of a breach of this Agreement by the Agent.
- 13.3 If the Agent receives prior approval from the Issuer for any expenses exceeding \$15,000, the Agent, in its sole discretion, may request an additional retainer (the "**Additional Retainer**") for the payment of Agent's Expenses, which request will be made in writing and may not be unreasonably withheld. The Issuer will pay the Additional Retainer within 10 days of receipt of the written request of the Additional Retainer from the Agent.
- 13.4 The Agent may, from time to time, render accounts to the Issuer for its expenses for payment on the dates set out in the accounts.
- 13.5 The Issuer authorizes the Agent to deduct the amount of any unpaid Agent's Expenses in connection with the Offering from the proceeds of the Offering, including Agent's Expenses for which an account has not yet been rendered to the Issuer.

- 13.6 For greater certainty, unless otherwise set out herein, the services provided by the Agent pursuant to this Agreement will not be subject to the Goods and Services Tax (“**GST**”) provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that GST provided for in the *Excise Tax Act* (Canada) is exigible on the fee provided for herein, the Issuer agrees to pay the amount of GST forthwith upon request of the Agent.

14. LIST AND HALT SHARES ON THE EXCHANGE BEFORE CLOSING

- 14.1 The Issuer covenants that it will obtain confirmation from the Exchange that the Offered Shares of the Issuer will be listed on the Exchange as of the Closing Day (the “**Confirmation**”).
- 14.2 The Issuer acknowledges that the Agent is relying on the Confirmation with respect to sales of the Offered Shares into a trust governed by a registered retirement savings plan, registered retirement income fund, registered disability savings plan, deferred profit sharing plan, registered education savings plan or tax-free savings account (collectively, the “**Plans**”) and agrees that, if the Issuer has fulfilled its obligations under Subsection 14.1 by obtaining a Confirmation and if the Exchange does not issue a bulletin in relation to the listing of the Offered Shares at the close of market on the business day before the Closing, the Issuer will immediately notify the Agent and Closing may be delayed, at the sole discretion of the Agent.

15. INFORMATION

- 15.1 The Issuer acknowledges that the Agent will be conducting a due diligence investigation of the Issuer’s business, properties, securities, management and affairs and the Issuer covenants that it will afford the Agent with access to the contracts, assets, commitments, corporate records and other documents that the Agent may reasonably request. The Issuer also covenants to use its commercially reasonable best efforts to secure the cooperation of the Issuer’s professional advisors (including its legal advisors and auditors) and the Issuer consents to the use and the disclosure of information obtained during the course of the due diligence investigation (including during the due diligence conference call, if any) where such disclosure is required by law or required by the Agent to maintain a defense to any regulatory or other civil action; and
- 15.2 The Agent will be entitled to rely on, and to assume, with no independent verification, the accuracy and completeness of all information furnished to them pursuant to this Subsection and the Agent will be under no obligation to verify, the accuracy or completeness of such information and under no circumstances will the Agent be liable to the Issuer for any damages arising out of the inaccuracy or incompleteness of any such information.

16. INDEMNITY

- 16.1 The Issuer hereby agrees to indemnify and hold the Agent and its affiliates and each and every one of the directors, officers, employees, shareholders and agents of the Agent (hereinafter referred to as the “**Personnel**”) harmless from and against any and all fees, costs, expenses, losses, claims, actions, damages, fines, penalties or liabilities of any nature whatsoever, joint or several (including the aggregate amount paid in settlement of

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any actions, suits, proceedings or claims and the fees and expenses of its counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agent or any Personnel; both subject to the terms of this Indemnity) (collectively, "**Losses**") to which the Agent and/or the Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such Losses arise out of or are based, directly or indirectly, on services rendered to the Issuer by the Agent or the Personnel under or otherwise in connection with the matters referred to in this Agreement (the "**Services**"), provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that the Losses as to which indemnification is claimed, are caused solely by the gross negligence or wilful misconduct of the Agent or the Personnel, as applicable.

- 16.2 If for any reason the foregoing indemnification is unavailable to the Agent or any of the Personnel or is insufficient to hold it harmless, then the Issuer shall contribute to the amount paid or payable by the Agent or any of the Personnel as a result of such Losses in such proportion as is appropriate to reflect not only the relative benefits received by the Issuer on the one hand and the Agent or any of the Personnel on the other hand, but also the relative fault of the Issuer and the Agent or any of the Personnel, as well as any relevant equitable considerations, provided that the Issuer shall in any event contribute to the amount paid or payable by the Agent or any of the Personnel as a result of such Losses any excess of such amount over the amount of the fees received by the Agent for the provision of the Services.
- 16.3 The Issuer agrees that, in case any legal proceeding shall be brought against the Issuer and/or the Agent or any of the Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such persons shall investigate the Issuer and/or the Agent and/or any of the Personnel and the Agent or any such Personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of the Services, the Agent or any such Personnel shall have the right to employ its own counsel in connection therewith if the Agent or any of the Personnel satisfies at least one of the conditions of Subsection 16.4 with respect to retaining separate counsel, and the fees and expenses of such counsel as well as the costs and expenses incurred by the Personnel and the cost of time expended by the Personnel, together with the Agent's out of pocket expenses in connection therewith shall be paid by the Issuer as they occur.
- 16.4 Promptly after receipt of notice of the commencement of any legal proceeding against the Agent or any of the Personnel or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Issuer, the Agent will notify the Issuer in writing of the commencement thereof. The Agent's failure to so notify the Issuer shall not relieve the Issuer from any obligations or liability which it has hereunder, except to the extent that the Issuer has been materially prejudiced by such failure. In the event of the assertion against the Agent or any of the Personnel of any such claim or the commencement of any such action or proceeding, the Issuer shall be entitled to participate in such action or proceeding and in the investigation of such claim and, after written notice from the Issuer to the Agent, to assume the investigation or defense of any such claim, action or proceeding with counsel of the Issuer's choice at the Issuer's expense; provided, however, that such counsel shall be reasonably satisfactory to the

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Agent. Notwithstanding the election of the Issuer to assume the defense or investigation of such claim, action or proceedings, the Agent and the Personnel shall have the right to employ separate counsel and to participate in the defense or investigation of such claim, action or proceedings, and the Issuer shall bear the expense of such separate counsel in the circumstances described below. If such defense is assumed by the Issuer, the Issuer throughout the course thereof will provide copies of all relevant documentation to the Agent, will keep the Agent advised of the progress thereof and will discuss with the Agent all significant actions proposed. The Agent or any of the Personnel shall have the right, at the Issuer's expense, to employ counsel of such indemnified party's choice, in respect of any action, suit, claim or proceeding, if (i) in the opinion of counsel to the Agent or the Personnel, as applicable, there may be defenses available to the Agent or any of the Personnel that are in addition to or separate from those available to the Issuer and in the opinion of counsel to the Agent or the Personnel, as applicable, use of counsel of the Issuer's choice could reasonably be expected to give rise to a conflict of interest, (ii) the Issuer shall not have employed counsel reasonably satisfactory to the Agent or the Personnel, as applicable, to represent the indemnified party or parties within a reasonable time after notice of the institution of any such action or proceedings, or (iii) the Issuer shall authorize the Agent or any of the Personnel to employ separate counsel at the Issuer's expense.

- 16.5 The Issuer shall not be liable for any settlement of any claim, action or proceeding affected without its written consent (not to be unreasonably withheld), but if settled with such consent or if there be a final judgment for the plaintiff, the Issuer agrees to indemnify and hold harmless the Agent and the Personnel from and against any Losses by reason of such settlement or judgment. The Issuer shall not, without the prior written consent of the Agent and the Personnel, as applicable, settle, compromise or consent to any judgment or decision in any proceeding in respect of which indemnification may be sought hereunder.
- 16.6 The indemnity and contribution obligations of the Issuer shall be in addition to any liability which the Issuer may otherwise have, shall extend upon the same terms and conditions to the Personnel and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Issuer, the Agent and any of the Personnel. The foregoing provisions shall survive the completion of Services or any termination or expiry of the authorization given by the attached engagement agreement and completion, withdrawal or termination of the transaction in respect of which the Services are provided.
- 16.7 The Issuer hereby acknowledges that the Agent acts as trustee for the Personnel of the Issuer's covenants under this indemnity and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

17. RESTRICTIONS ON OFFERINGS

- 17.1 The Issuer covenants and agrees that during the period commencing on the date of this Agreement and ending 60 days after the Closing Day, the Issuer shall not issue, sell, offer to sell, or announce any intention to issue, sell or offer to sell, any securities, except as contemplated in this Agreement, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, except for:

- (a) securities issued or issuable to satisfy existing instruments or agreements disclosed in the Prospectus; and
- (b) stock options or common shares issuable upon the exercise of stock options, in each case pursuant to the Issuer' stock option plan having the terms disclosed in the Prospectus.

18. PUBLIC ANNOUNCEMENTS

18.1 The Issuer covenants and agrees that any public announcement or press release concerning the Offering, this Agreement or the relationship between the Issuer and the Agent shall be provided to the Agent in advance and the Issuer will use its commercially reasonable best efforts to agree to the form and content thereof with the Agent prior the release thereof. The Issuer further agrees that no public announcement or press release concerning the Offering, this Agreement or the relationship between the Issuer and the Agent shall refer to the Agent without the prior written consent of the Agent, such consent not to be unreasonably delayed or withheld. The Issuer further agrees that, after the Closing, no public announcement or press release of any form or kind whatsoever concerning the Offering, this Agreement or the relationship between the Issuer and the Agent shall be made without the prior consent of the Agent, such consent not to be unreasonably delayed or withheld.

18.2 The Issuer covenants and agrees that any news release issued by the Issuer concerning the Offering shall include a legend to the effect that the news release shall not be disseminated in the United States or released over a United States wire service (unless the Agent otherwise agrees based upon a written opinion of its United States legal counsel), and it will also include the following:

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

18.3 If the Offering is successfully completed, the Issuer agrees that the Agent shall be permitted to publish, after giving the Issuer a reasonable opportunity to comment on the form and content thereof, such advertisements or announcements relating to the performance of services provided hereunder in such newspapers or other publications as the Agent considers appropriate, and shall further be permitted to post such advertisements or announcements on its website, provided all such advertisements and announcements comply with the Applicable Legislation.

19. ASSIGNMENT AND SELLING GROUP PARTICIPATION

- 19.1 The Agent will not assign this Agreement or any of its rights under this Agreement or, with respect to the Securities, enter into any agreement in the nature of an option or a sub-option unless and until, for each intended transaction, the Agent has obtained the consent of the Issuer and notice has been given to and accepted by the Regulatory Authorities.
- 19.2 The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers and investments dealers, who may or who may not be offered part of the commissions or warrants to be received by the Agent pursuant to this Agreement.

20. NOTICE

- 20.1 Any notice under this Agreement will be given shall be addressed and delivered to:

- (a) in the case of the Issuer:

Radial Research Corp.
1090 West Georgia Street
Suite 600
Vancouver, British Columbia V6E 3V7

Attention: Peter Smith, President & Chief Executive Officer
Email: ifgsmith@yahoo.ca

with a copy to:

Beadle Raven LLP
1090 West Georgia Street
Suite 600
Vancouver, British Columbia V6E 3V7

Attention: Michael Raven
Email: mraven@beadleraven.com

- (b) in the case of the Agent:

Chippingham Financial Group Limited
#1040-885 West Georgia St.
Vancouver, BC V6C 3E8

Attention: Leslie Frame, Head of Western Operations
Email: ecm@chippingham.com

with a copy to:

TingleMerrett LLP
1250, 639 – 5 Avenue SW
Calgary, AB T2P 0M9

Attention: Scott Reeves
Email: sreeves@tinglemerrett.com
Facsimile Number: (403) 571-8008

and, if so given, shall be deemed to have been given and received upon receipt by the addressee or a responsible officer of the addressee if delivered, or one hour after being faxed or emailed during normal business hours, as the case may be. Any party may, at any time, give notice in writing to the other in the manner provided for above of any change of address, facsimile number or email address.

21. TIME

Time is of the essence of this Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

22. CANADIAN DOLLARS

Unless otherwise specified hereunder, all references herein to dollar amounts are to lawful money of Canada.

23. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

The representations, warranties, covenants and indemnities of the parties contained in this Agreement will survive the closing of the purchase and sale of the Securities.

24. LANGUAGE

Wherever a singular or masculine expression is used in this Agreement, that expression is deemed to include the plural, feminine or the body corporate where required by the context.

25. ENUREMENT

This Agreement enures to the benefit of and is binding on the parties to this Agreement and their successors and permitted assigns.

26. HEADINGS

The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement.

27. NO FIDUCIARY DUTY

The Issuer hereby acknowledges that (i) the transactions contemplated hereunder are arm's-length commercial transactions between the Issuer, on the one hand, and the Agent and any affiliate through which it may be acting, on the other, (ii) the Agent is acting as agent but not as fiduciary of the Issuer and (iii) the Issuer's engagement of the Agent in connection with the {W:/DOCS/7908.004/08/00517568.DOCX /}

Offering and the process leading up to the Offering is as agent and not in any other capacity. Furthermore, the Issuer agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent has advised or is currently advising the Issuer on related or other matters). The Agent has not rendered advisory services beyond those, if any, required of an investment dealer by Applicable Legislation in respect of an offering of the nature contemplated by this Agreement and the Issuer agrees that it will not claim that the Agent has rendered advisory services beyond those, if any, required of an investment dealer by Applicable Legislation in respect of the Offering, or that the Agent owes a fiduciary or similar duty to the Issuer, in connection with such transaction or the process leading thereto.

28. FURTHER ASSURANCES

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

29. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and supersedes any other previous agreement between the parties with respect to the Offering and there are no other terms, conditions, representations or warranties whether express, implied, oral or written by the Issuer or the Agent.

30. COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

31. LAW

This Agreement and its application and interpretation will be governed exclusively by the laws prevailing in British Columbia. The parties to this Agreement consent to the jurisdiction of the courts of British Columbia, which courts shall have exclusive jurisdiction over any dispute of any kind arising out of or in connection with this Agreement.

[Signature page follows]

This Agreement was executed and delivered as of the date given above.

RADIAL RESEARCH CORP.

Per: "Peter Smith"
Authorized Signatory

CHIPPINGHAM FINANCIAL GROUP LIMITED

Per: "Steve Engh"
Authorized Signatory